

**Supplemental Reporting Document
Table of Contents
February 2006 Investment Committee Meeting
(December 2005 Reporting Period)**

Activity Reports

Alternative Investment Management (AIM) Program Activity Report
Risk Managed Absolute Return Strategies Program Activity Report
Real Estate Opportunistic Program Activity Report

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February 14, 2006

SUPPLEMENTAL ITEM

TO: MEMBERS OF THE INVESTMENT COMMITTEE

- I. SUBJECT:** Activity Reports
- II. PROGRAMS:** Alternative Investment Management (AIM)
Risk Managed Absolute Return Strategies (RMARS)
Real Estate Opportunistic (REO)
- III. RECOMMENDATION:** Information only
- IV. ANALYSIS:**

Staff from AIM, RMARS, and REO are required to report the status of investment proposals received by their respective program on a monthly basis. Staff from these areas have prepared activity reports for the month of December 2005.

V. STRATEGIC PLAN:

Goal VIII: Manage the risk and volatility of assets and liabilities to ensure sufficient funds are available, first, to pay benefits and second, to minimize and stabilize contributions.

Members of the Investment Committee
February 14, 2006
Page 2

VI. RESULTS:

Attached are results containing the status of investment proposals received by AIM, RMARS, and REO.

Greg Hood
Division Chief, Investment Office

Anne Stausboll
Interim Chief Investment Officer



***** OPEN SESSION MATERIAL *****
AIM PROGRAM
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS
REPORT PERIOD: 12/1/2005 TO 12/31/2005

ACTIVITY SUMMARIZED	ACTIVITY FOR REPORT PERIOD	2002	2003	2004	2005 YTD	Since Program Inception
<u>INVESTMENT ACTIVITY</u>						
Investment Proposals Received	17	251	298	381	315	5780
Declined/Referred/Failed to Materializ	24	260	206	223	428	4591
Deals in Screening	64	251	298	397	317	2794
Due Diligence Reviews	25	17	25	65	57	503
<u>AMOUNTS (\$ in millions)</u>						
Authorized	\$350.0	\$531.0	\$995.0	\$1,697.5	\$5,023.00	\$28,431.3

Notes:

- Current YTD information is through the end of the report period.
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening or Due Diligence during that time period.

December 2005

MANAGER ACTIVITY	2001	2002	2003	2004	2005	Since Program Inception
Information Received	88	170	181	59	59	557
Declined	34	81	108	12	1	236
Screening	48	80	72	45	58	303
Full Due Dilligence Review	0	15	1	5	22	43
Approved by ARS Board	0	13	1	5	22	41
MANAGER AMOUNTS (\$ in millions)						
Funded	\$0	\$485	\$95	\$149	\$783	\$1,511

**Real Estate Investment Office
Opportunistic/International Fund Program
December 2005**

Fund Name	Product Type	Sector	Allocation Committed	Net Expected Return
DB Global	Multiple Project Types (development, rehab, office, industrial, retail and other)	International	\$40,725,000	15-20%
Fillmore East Fund , L.P.	Mezzanine Debt	Opportunistic	\$75,000,000	14.0%
LaSalle French Fund II	Multiple Project Types (development, rehab, office, industrial, retail and other)	International	\$14,420,000	15-20%
		Total	\$130,145,000	